April 22, 2015

Armand Southall
Regulatory Specialist
Office of Natural Resources Revenue
P.O. Box 25165
MS61030A
Denver, CO 80225

Subject: Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform (ONRR-2012-0004 (1012-AA13))

Dear Mr. Southall:

I oppose the Department of Interior's recently proposed rule "Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform (ONRR-2012-0004 (1012-AA13))." The proposed rule is deeply flawed and incompatible with the Office of Natural Resource Revenue's (ONRR) mission to optimize revenues from federal resources and should be withdrawn. The new rule is a thinly veiled attempt to keep federal coal in the ground rather than to optimize revenues.

I am a miner at Cloud Peak Energy's Spring Creek Coal Mine located in southeastern Montana. The mine shipped approximately 17.4 million tons of low-sulfur, federal lease coal in 2014. Of that total shipped, approximately 4.0 million tons was shipped by Cloud Peak Energy Logistics to Asian utilities in South Korea, Japan and Taiwan. The uncertainty and complexity of the proposed rule could have a significant harmful impact on future production, limiting an important source of affordable electricity both domestically and to some of America's closest allies.

In addition, I believe this proposed rule would likely have a negative impact on our community. Last year alone, the Spring Creek Mine generated more than $75 million in taxes and royalties. This funded essential government services at the federal, state and local levels.

The Office of Natural Resource Revenue has an important charge, and appropriate development of America's natural resources is essential for economic growth, prosperity and funding of important government services. As proposed, this rule threatens to significantly curtail responsible production of natural resources, and so we ask that you withdraw the rule for the reasons listed above.

Thank you for your attention to this matter of significant importance.

Yours sincerely,

David Schwerd